Testimony on Senate Bill 395 to the Senate Agriculture Committee

by Constantine V. Cotsoradis Deputy Secretary Kansas Department of Agriculture

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Good morning, Chairman Taddiken and members of the committee. I am Constantine Cotsoradis, deputy secretary of agriculture, and I am here in support of Senate Bill 395.

The dairy inspection program serves two main purposes. One is to provide consumer protection and confidence that milk is safe and wholesome. The other purpose is to provide inspections as specified in the interstate milk shippers' agreement. Failure to comply with this agreement could adversely affect the state's Grade "A" dairy market.

Representatives from the dairy industry and their respective associations met with us beginning soon after last session. We were in agreement that the dairy inspection program was important, but the questions of whether there were efficiencies that could be realized and how to fund the program left room for discussion.

I can report that we have made changes to the program, such as performance —based inspections, that have made the program more efficient. Also, despite having our request for state general funds denied, we have developed through our discussion with the stakeholder group a fee package that will sustain the program. This bill increases some fees and adopts some new fees but only at levels necessary to adequately fund the program.

We understand the reality of seeking a fee increase at this time, but the alternative is far less desirable. Without additional funds, the dairy inspection program likely will be unfunded in 2012 and the dairy industry then may not be able to ship their milk across state lines. This is a real possibility as we have had to suspend or cease other programs in the agency due to budget reductions.

The dairy industry is very important to this state's economy and to the rural areas in which they are located. Maintaining the dairy inspection program through the fee increases in this bill will ensure the viability of the dairy industry and its Grade "A" market.

I will answer questions at the appropriate time.